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## **CARDIN INTRODUCES BILL TO PROVIDE CLEAR DISCLOSURES AND FINANCIAL COUNSELING TO SURVIVORS OF VETERANS AND FALLEN HEROES**

*“What has become a common insurance industry practice may not be an appropriate solution for every service member’s family.”*

Washington, DC – In response to real problems being faced by Marylanders who have lost loved ones in service to our nation, **U.S. Senator Benjamin L. Cardin (D-MD)** today introduced a bill that would ensure that beneficiaries of the Servicemembers’ Group Life Insurance (SGLI) program receive timely financial counseling and full disclosure information regarding life insurance payments. Senator Cardin’s bill, the **“Securing America’s Veterans Insurance Needs and Goals Act of 2010”** (SAVINGS Act), is similar to a bill introduced in the House of Representatives by Congresswoman Deborah Halvorson (IL-11) and House Committee on Veterans’ Affairs Chair Bob Filner (CA-51).

“As we send soldiers to fight overseas, our support for our servicemembers and their families must remain steadfast and strong. I am proud to serve in this Congress that has worked to honor our commitment to our nation’s veterans and to the families of our fallen heroes. This legislation continues our commitment to do what is in the best interest of the families of the noble men and women who have paid the ultimate sacrifice on behalf of our country.

“This bill honors mothers like Cindy Lohman, of Great Mills, Maryland, who lost her son Ryan when he was killed in a bombing in Afghanistan in August 2008. She had no idea that the package sent to her from the life insurance company would lead to more difficulty, during an already unbearable time. Understandably too distraught to take immediate action after her son’s death, Ms. Lohman put away the package from the company that administers the SGLI policies on behalf of the Veterans Affairs Secretary for six months. When she finally looked over the many pages of printed forms and seeing what appeared to be a checkbook, Ms. Lohman assumed the money was in a checking account. There were many details in that packet from the insurance company – disclaimers and other specifics about the account. It turns out that this was not a standard, FDIC-insured account, but a retained-asset account managed by the insurance company.

“My concern is that what has become a common industry practice, may not be an appropriate solution for every family. This bill helps families make sound financial decisions during a most difficult time. The SAVINGS Act addresses this challenge by requiring a greater level of disclosure and financial counseling to beneficiaries. It will assist Marylanders and other Americans in difficult times”.

Senator Cardin’s bill ensures that beneficiaries of the Service members’ Group Life Insurance program receive financial counseling and full disclosure information regarding life insurance payments. Active duty members of the Armed Forces will be given more information as they decide on disbursement options for their beneficiaries. The SAVINGS Act offers specific protections and alternatives to life insurance policy beneficiaries. This bill includes an explanation of how the retained-asset accounts differ from traditional checking accounts and leaves flexibility for the Secretary of the Department of Veterans Affairs to add more disclosure guidelines as he sees fit.

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